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Report of the International Civil Service Commission for the year 2006

Addendum

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Sixty-first Session
Supplement No. 30 (A/61/30/Add.1)

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Note

Symbols of United Nations documents are composed of capital letters combined with figures. Mention of such a symbol indicates a reference to a United Nations document.

The present addendum to the annual report of the International Civil Service Commission for 2006 contains the consideration of the Commission on the proposals of the Secretary-General, in particular the proposal to introduce one United Nations staff contract under one set of staff rules, in response to General Assembly resolution A/61/244, section VI. The present addendum also presents the findings and recommendations of the Commission concerning entitlements of internationally recruited staff serving in non-family duty stations in response to the request by the General Assembly in its resolution A/61/239, section I, part D. In both resolutions, the General Assembly requested the Commission to report at the second part of its resumed sixty-first session. The addendum has therefore been prepared with a view to meeting these requests.

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Letter of transmittal

April 2007

Sir,

I have the honour to transmit herewith the addendum to the thirty-second annual report of the International Civil Service Commission, prepared in accordance with General Assembly resolutions 61/244, section VI, paragraph 2, and 61/239, section I, part D.

I should be grateful if you would submit the report to the General Assembly and, as provided in article 17 of the statute, also transmit it to the governing organs of the other organizations participating in the work of the Commission, through their executive heads, and to staff representatives.

(*Signed*) Kingston P. **Rhodes**
Chairman

His Excellency
Mr. Ban Ki-moon
Secretary-General of the United Nations
Room S-3800
New York, NY 10017

Chapter I
Introduction

1. In its resolution 61/244, section VI, the General Assembly requested the International Civil Service Commission (ICSC) to consider the proposals of the Secretary-General, in particular the proposal to introduce one United Nations staff contract under one set of staff rules, and to report to it thereon at the second part of its resumed sixty-first session. At its sixty-fourth session, the Commission considered the Secretary-General's proposals (see chapter II below).

2. Also in response to a request by the General Assembly in its resolution 61/239, section I, part D, the Commission, during its sixty-fourth session, reviewed the entitlements of United Nations common system staff serving in non-family duty stations. Its recommendations for harmonization of the entitlements across the common system are included in the present report (see chapter III below).

Chapter II

Conditions of service applicable to both categories of staff

Proposals of the Secretary-General for modifying contractual arrangements

1. Background

3. The Secretary-General, in a report entitled "Investing in people" (A/61/255), proposed a contractual framework for the United Nations organizations. The proposed framework would streamline the current contractual arrangements by replacing the multiple types of appointment in three series of the Staff Rules with one United Nations staff contract under one set of staff rules.

4. The Commission welcomed the efforts of the Secretary-General. However, in comparing the Secretary-General's proposals to the ICSC contractual framework, the Commission found that, in several important respects, the proposals were not aligned with its framework.

2. Consideration and conclusions regarding the Secretary-General's proposed framework for contractual arrangements

5. Careful analysis of the Secretary-General's proposal revealed that it would require five types of appointment and five different contracts. Each appointment type is affected by a corresponding contract that sets out the conditions of service applicable to that particular appointment. The proposal is to use the following types of appointment:

(a) Continuing appointments;

(b) Project or mission-specific continuing appointments;

(c) Fixed-term appointments;

(d) Project or mission-specific fixed-term appointments; and

(e) Temporary appointments.

According to the report, depending on the needs of the Organization, fixed-term and continuing contracts could still be limited to particular projects or missions in order to avoid the creation of undue expectations of long-term employment (see A/61/255, para. 244). Obviously, the conditions of service for those contracts would be different from the regular continuing and fixed-term contracts if the Organization is to achieve its objective for using the mission-specific contracts.

6. Under the ICSC framework, continuing contracts should not be used when there is no expectation of long-term employment. Staff working in missions could be on continuing contracts if they were selected for one of the 2,500 core positions where there would be an expectation of long-term employment. Other staff working in missions should be on successive fixed-term appointments of up to five years each.

7. The ICSC framework provides for only three types of appointment — continuing, fixed-term and temporary. There is no provision for mission-specific appointments except when the temporary appointment is used. Temporary

appointments of limited duration with special missions, projects of limited duration and special operations for humanitarian assistance are temporary appointments according to the ICSC framework. (The Commission has recommended to the General Assembly that the appointments of limited duration be phased out in the non-family duty stations as a result of its efforts to harmonize conditions of service at those duty stations.)

8. The Commission concluded that the Secretary-General's proposal to introduce one United Nations staff contract, under one set of staff rules, with three types of appointment would actually require five staff contracts, under one set of staff rules, with five types of appointment. While the Commission was in favour of one set of staff rules, it was of the opinion that the Secretary-General's objectives could all be achieved within the simple structure of three types of contract as described in the ICSC framework for contractual arrangements.

3. Issues related to continuing appointments

Acquiring a continuing appointment

9. Under the Secretary-General's proposal, after five years, subject to performance and continued needs of the service, the appointment is converted to continuing (see A/59/263/Add.1). The conversion to a continuing appointment does not conform to the ICSC contractual framework, which requires that staff compete through open and transparent selection procedures to obtain a continuing appointment (see A/60/30, annex IV). The approach proposed by the Secretary-General is tantamount to automatic conversion because there is no competition, no limit on the number of conversions and essentially everyone would meet the criteria for conversion. Every staff member will have an expectation of conversion to a continuing appointment after five years of service and satisfactory performance ratings.

10. The ICSC framework did not provide for the conversion of fixed-term appointments to continuing appointments for several reasons. The Commission is of the view that the General Assembly should be able to control its financial and long-term commitments to staff by managing the types of appointment it uses. The General Assembly has in the past directed the Secretary-General to take into consideration the concept of career service for staff performing core functions while achieving 70 per cent permanent appointments in posts subject to geographical distribution. Further, the Assembly decided that five years of continuing service should not confer the automatic right to a permanent contract (resolution 51/266). In its resolution 53/221, the Assembly requested the Secretary-General to continue his efforts towards increasing the share of fixed-term appointments throughout the Secretariat. Those or other similar objectives could not be achieved if the Secretary-General's proposed contractual framework were implemented. Staff members would be entitled to conversion to a continuing appointment after five years on a fixed-term appointment, subject to required standards of performance and needs of service. It is also significant to note that if the staff member's appointment is not converted, he/she would be separated because there is no provision for a subsequent fixed-term contract (see A/59/263/Add.1).

11. The contractual framework proposed by the Secretary-General would also be applicable to other United Nations organizations covered by the Secretariat's staff rules, including the United Nations Development Programme, the United Nations

Population Fund, the Office of the United Nations High Commissioner for Refugees, the United Nations Children's Fund and the United Nations Office for Project Services. Some of those organizations advised ICSC that the contractual framework, as proposed by the Secretary-General, could not be implemented in their organizations because of the restrictions imposed by their governing bodies on granting continuing appointments, the nature of their mandates, funding or other circumstances unique to their organizations. The Commission believes that the framework must take into account the needs of all the organizations to which it will apply.

12. The Secretary-General's proposal is not in line with the ICSC contractual framework, which allows an initial appointment to a continuing contract. Considering its positive impact on gender balance and geographical distribution, the Commission is of the view that the national competitive examination is a useful tool for selecting the best qualified candidates from underrepresented Member States for core career positions at the P-2/P-3 levels. Currently, candidates from the national competitive examination are recruited on probationary contracts, which are, subject to satisfactory performance, converted to permanent contracts after two years. The acceptance rate of candidates from the national competitive examination is likely to decline if they are offered only fixed-term appointments.

13. The Commission is concerned that the proposals of the Secretary-General could stifle mobility within the common system. If continuing contracts are granted only after five years of service on a fixed-term appointment, employment with the United Nations organizations would not be attractive to staff in other organizations of the common system who are already on continuing appointments.

Coverage of the continuing appointment

14. According to the Secretary-General's proposal, continuing contracts could be limited to particular projects or missions in order to avoid the creation of undue expectations of long-term employment, particularly where the mandate is clearly finite (see A/61/255). Under the ICSC framework, the continuing appointment is for career staff who provide programme continuity in core functions of the Organization. The Organization must have a continuing need for the core functions in accordance with its mandate before granting a continuing appointment that by its very nature is open-ended. Under the ICSC framework, a continuing contract should not be granted where the mandate is finite and there is no expectation of open-ended employment. Fixed-term appointments, which may be from one to five years in duration and may be renewed after five years, are appropriate, for example, for specific projects or missions. In the Department of Peacekeeping Operations, individuals selected for the 2,500 core positions should be granted continuing appointments. Selections should be based on such considerations as merit, geographic distribution and gender, not completion of five years of service.

4. Issues related to fixed-term appointments

Duration of fixed-term appointments

15. According to the Secretary-General's proposal, a fixed-term appointment could be renewed or extended for a maximum period of five years (see A/61/255 and A/59/263/Add.1). The Secretary-General's proposal does not provide for renewal or successive fixed-term appointments. If the continuing appointment is not

made available to everyone in the Organization, or the staff members are not selected for a continuing appointment, their service would be terminated even though their skills were still needed and their performance had been satisfactory. In the Department of Peacekeeping Operations, for example, continuing contracts should be granted only to staff selected for the 2,500 core positions. Those not selected who had met the five-year limit on a fixed-term contract would be separated, because there are no provisions in the Secretary-General's proposal that permit extension beyond a maximum five-year period. The Commission also views that arbitrary termination after five years of service as unworkable for those United Nations funds and programmes that cannot convert all the appointments when staff meet the requirement for satisfactory performance even though there is a continuing need for the individual's services. The maximum limitation of five years on the fixed-term appointment reduces management's flexibility to assign staff in accordance with the needs of the Organization.

16. The Secretary-General's proposal provides for limiting fixed-term appointments to specific missions or projects. That creates a new type of appointment — a mission-specific fixed-term appointment. The conditions of service that would attach to that contract would be different from the regular fixed-term appointment. The ICSC framework does not provide for that type of appointment. In its effort to harmonize staffing in field missions, the Commission has already determined that the mission-specific appointments currently in use should be phased out because those appointments do not provide the flexibility needed to move staff from one mission to another. The mission-specific appointment is not an effective tool when there is an expectation of mobility and an operational requirement for a global workforce.

Mobility requirements of the fixed-term appointment

17. According to the Secretary-General's proposal, the mobility policy requires staff members of the Secretariat from the G-5 to the D-2 level to move to another function, occupational group, department or duty station once they have reached the occupancy limit in the post. The limit is generally either five or six years, depending on the category and level of the staff member. That mobility policy should not apply to the United Nations funds and programmes, which have various well-established and effective mobility policies that meet the needs of their organizations.

5. Issues related to temporary appointments

Duration of the temporary appointment

18. The ICSC framework states that the temporary appointment is to accommodate defined, short-term needs of the Organization for less than one year. It does provide for a renewal under the conditions described in the Staff Rules. The Secretary-General has proposed temporary appointments of up to two years to meet surge needs in the field. Under the ICSC framework, an assignment that is expected to last for two years should be a fixed-term appointment. To operate within the ICSC framework, the Secretary-General should use the fixed-term appointment with a two-year limit or make the appointment temporary for not more than one year, with a subsequent renewal if necessary. The Staff Rules should more clearly define the conditions that must be met for renewal of a temporary appointment. Generally, if it

is known in advance that the need for services will extend beyond one year, the fixed-term appointment would be the appropriate choice.

Probationary period with a temporary appointment

19. According to the Secretary-General's report (A/61/255), staff entering the Organization at any level would be subject to a probationary period during their first year of service. Under the ICSC framework, staff given temporary appointments of less than one year would not serve on a probationary appointment.

6. Conclusion

20. The Commission, having reviewed in detail the proposal of the Secretary-General, and in the light of its observations above, concludes that the Secretary-General's proposal should be revised to conform to the Commission's contractual framework.

Chapter III
Conditions of service in the field

Staffing of field missions: review of the entitlements of internationally recruited staff in non-family duty stations

1. Background

21. In its resolution 59/266, the General Assembly requested ICSC to review the contractual instruments available for the employment of common system staff in the field, including the practice of conversion of appointments from the 300 to the 100 series of the Staff Rules of the United Nations. The Assembly further requested that the Commission submit to it at its sixty-first session an analysis of the desirability and feasibility of harmonizing conditions of service at non-family duty stations in the field.

22. In response to resolution 59/266, the new information brought to light by the report of the Secretary-General entitled "Investing in the United Nations: for a stronger Organization worldwide" (A/60/692 and Corr.1) and the information provided by the Department of Peacekeeping Operations, the Commission decided to revert to the study on practices relating to the entitlements of internationally recruited staff serving at non-family duty stations. In order to expedite the review in response to the urgency expressed by the United Nations, the Commission formed the Working Group on entitlements of internationally recruited staff serving in non-family duty stations. The Working Group held two sessions, each of one week's duration, in November 2006 and January 2007 in New York. At its sixty-fourth session, the Commission considered the report of the Working Group. During the session, the Commission was briefed by the Assistant Secretary-General for Peacekeeping Operations, who informed the Commission that about 21,000 authorized staff posts were currently allotted to the Department of Peacekeeping Operations, of which nearly 8,000 posts were for international staff in the field. Of those staff members, 56 per cent had less than two years of service in the United Nations system. Of the field staff of the Department, 53 per cent held 300-series appointments of limited duration, with very different conditions of service from those of their colleagues working for United Nations agencies, funds and programmes.

23. The Commission noted that the Working Group had based its deliberations on the data contained in the Secretary-General's report "Investing in people" (A/61/255), which indicated that 5,422 international staff were serving in the United Nations peace operations; of those, 5,024 were serving in non-family special missions (see annex II). The cost estimates presented in the Secretary-General's report were based on the figure of 5,024 international staff serving in non-family missions; of which, 50 per cent were estimated to be single with no dependants and 50 per cent married with two children.

2. Approach used in the United Nations peace operations

24. The Department of Peacekeeping Operations uses two types of contracts for staff in its non-family missions: the appointment of limited duration (under the 300 series) and the mission-specific contracts (fixed-term contract under the 100 series). Annex II shows the international staff distribution data in United Nations peace

operations as at 30 June 2006 by category, contract type, mission type and location, as provided by the Department.

25. The appointment of limited duration (under the 300 series) comprises a base salary, hazard pay, where applicable, and an expense allowance (mission subsistence allowance) to cover the cost of living for the staff member at the duty station. In addition, there is a lump sum service allowance, approximately 20 per cent of the salary, which is intended to take into account such things as within-grade salary increments, dependency allowance, hardship of the duty station, etc.

26. Appointments of limited duration of six months are offered to new recruits. At the end of six months, the contract may be extended for up to one year when it is consistent with the duration of the mandate. If the mandate is of a short duration, extensions are granted in intervals as short as three months. The contract cannot be extended beyond a maximum of four years. The value of the package is somewhere between 66 and 75 per cent of that paid by other organizations to their internationally recruited Professional staff working at non-family duty stations.

27. For several very important reasons, the contract is not attractive for recruiting and retaining staff. Under that contract, there is no job security or opportunity for a career, and compensation is low compared to other contracts in the common system. There is no progression in pay because there are no within-grade salary increments, no promotions and no post adjustment. The hardship of working at a less than desirable duty station is not recognized or compensated. The isolation from the family is not taken into account in any meaningful way and there is no financial compensation to assist the staff member who must maintain a second household for the family.

28. Mission-specific contracts (100-series fixed-term contract) offer a higher base salary than the appointment of limited duration; grant the dependency allowance, education grant, hazard pay and an allowance to cover the living expenses of the staff member at the duty station.

29. The mission-specific appointment (100-series fixed-term contract) varies depending on the duration of the mandate. After four years of fully successful performance and if there is a continuing need, staff on appointments of limited duration are reappointed on a six-month fixed-term contract. Staff cannot initially be appointed on a fixed-term contract. Extensions are granted on the same basis as the appointment of limited duration and depend on the certainty of the mandate. Because that contract is directly tied to a specific mission, the staff member cannot be reassigned to another mission and the contract cannot be extended beyond the duration of the mission even if the staff member's services are critically needed at another location. The value of the package is about 88 per cent of that paid by other organizations to their internationally recruited Professional staff working at non-family duty stations.

30. The contract, although more favourable than the appointment of limited duration, is not adequate to attract and retain staff. As with the appointment of limited duration, there is no job security. Within-grade salary increments are granted, but they have a very limited opportunity for career progression. There is some financial compensation to take into account the staff member's obligations with the payment of the dependency allowance and education grant. However, there is no financial compensation to assist the staff member who must maintain a second

household for the family. As with the appointment of limited duration, there is a living allowance (mission subsistence allowance) to cover expenses at the duty station and hazard pay where applicable.

31. The Commission reviewed the overall staffing situation in peace operations. Those reports showed that, despite active recruitment campaigns that yield some 2,500 appointments per year, the average vacancy rate is 25 per cent and the turnover rate for staff in United Nations peace operations on average is 30 per cent. Some 54 per cent of Professional staff have no more than two years' experience. Staff work in dynamic, fast-paced and highly complex operational environments that demand expertise in United Nations policies, systems and procedures. At the same time, the security risk, living conditions and isolation from family add to the stress of the assignment.

32. With the introduction of the integrated missions in late 2003, peace operations generally envisage a longer-term, multidimensional intervention involving an integrated United Nations system presence. At those integrated missions, United Nations peace operations staff work side by side with staff from other agencies of the common system. United Nations peace operations staff have significantly inferior conditions of service in terms of compensation and other conditions of service.

3. Approach used by the non-Department of Peacekeeping Operations common system organizations

33. With the exception of staff serving in the United Nations peace operations (the term United Nations peace operations covers both peacekeeping and special political missions administered by the Department of Peacekeeping Operations), all organizations with staff serving in non-family duty stations apply the special operations approach. Under that approach, a location near the non-family duty station, with adequate medical, educational and housing facilities, is designated an administrative place of assignment. The staff member and eligible family members are installed at the administrative place of assignment, unless the staff member's family chooses another location. The staff member receives the post adjustment, assignment grant, shipment of personal effects and mobility and hardship allowance applicable to the administrative place of assignment. Hazard pay for the duty station and a special operations living allowance is paid to the staff member to cover living expenses at the non-family duty station. When a staff member chooses a different location for the family, the administrative place of assignment remains the basis of pay, unless the staff member decides that the family should remain at the former duty station. In the latter situation, the post adjustment of the former duty station remains the basis for the entitlements.

34. In the agencies, and funds and programmes organizations, there is a measure of job security and there is an opportunity for a career because staff members are an integral part of a larger organization. They receive regular salary increases through within-grade salary increments and post adjustment. The staff do not become isolated at one duty station because they have fixed-term rotational assignments ranging from two to four years, rotating between family and non-family duty stations. Staff members are not isolated from the family because the family is at a nearby location and they have the opportunity to make regular, paid visits to that location. Family considerations are accommodated with dependency allowance,

education grant and post adjustment to recognize the need to maintain a second household for the family. With the special operations approach, the hardship of the duty station is alleviated by both compensation and proximity of family members.

4. Problems created by dual systems

35. The Commission concluded that the special operations approach works. Organizations using that model reported that their vacancy rates range from miniscule to a high of 8 per cent, as compared with United Nations peace operations, where the vacancy rate averaged 25 per cent. The Commission was informed by the organizations that the substantial difference in compensation and benefits for those staff at non-family duty stations had led to competition among the organizations for staff, with the United Nations peace operations being a fertile recruiting ground for other organizations. Further, the staff morale in United Nations peace operations was low, in particular at integrated missions, owing to the inequities in the compensation and other conditions of service.

Decision: The Commission agreed that harmonization of conditions of service at non-family duty stations was essential for the preservation of the United Nations common system.

5. Recommendations for harmonization

Harmonization of designation of duty stations as family/non-family

36. With the exception of United Nations peace operations, all organizations of the common system have established non-family duty stations on the basis of security phases 3, 4 and 5, as designated by the Department of Safety and Security. On the other hand, the United Nations had decided, independent of the security phase, to designate all the special missions as non-family duty stations. The Commission noted that the family/non-family status of the duty station determined whether or not the organization would permit relocation of the family. There was also a significant difference in compensation and other conditions of service based on the family/non-family status. For those reasons, the Commission concluded that it was essential to harmonize the designations of duty stations for the fair and equitable treatment of all staff in the common system.

Decision: The Commission decided to recommend that all common system organizations harmonize the designation of duty stations in accordance with the security phase decided by the Department of Safety and Security and the approach as applied by the Inter-agency Committee on Field Duty Stations of the Human Resources Network of the United Nations System Chief Executives Board for Coordination (CEB).

Harmonization of staff contracts and associated entitlements

37. The Commission noted that there were significant variations in the contracts used for similarly situated staff. For internationally recruited Professional staff members at the level of P-4, step 1, with the same number of dependants, working in the same duty station, there were six different levels of compensation. The lowest package was valued at $127,000 and the highest was $188,000, a range of $61,000. It was obvious that under the current situation, similarly situated staff were not comparably compensated (see annex I).

38. Further, the variation in compensation occurred even though the same contract was used. In the example given, the range of compensation for staff on appointments of limited duration, also known as 300-series contracts, varied from a low of $127,000 to a high of $173,000, a range of $46,000 from the lowest to the highest compensation.

39. The appointments of limited duration in use at non-family duty stations do not conform to the principles and guidelines established by ICSC. The Commission guidelines call for, among other things, a reasonable correlation with the conditions of service of other groups of staff, arrangements that do not create competition for staff among organizations of the common system, and arrangements that incorporate adequate social security, that is, due regard for the health and welfare of the staff member and family.

40. The appointment of limited duration was originally intended to provide a simple, easy-to-administer contract to respond to the need to quickly recruit staff for jobs of limited duration. Those contracts are limited to three years, with a provision for extension of one further year. Over the years, the needs of the organizations have changed. In the case of the United Nations peace operations, there is now the need to retain staff for a longer term than originally envisioned. Those restricted, limited-duration contracts no longer meet the needs of the Organization. Rather than facilitating mission accomplishment, they limit management's flexibility to retain staff where there is a continuing need beyond the arbitrary limitation of the contract. Further, the compensation offered is not competitive with that offered in the other common system organizations, which inhibits recruitment and adversely affects morale. Finally, those contracts have been modified over the years to the point where they are no longer simple and easy to administer. In fact, it adds complexity because more than one type of contract is used to staff the non-family duty stations.

41. Department of Peacekeeping Operations appointments of limited duration are also mission-specific and, therefore, do not allow management the flexibility to move staff to another location to meet a higher priority need or to assign staff to a new mission, if their current mission is phased out.

Decision: The Commission decided to recommend that the appointments of limited duration (300 series) be phased out in non-family duty stations in favour of the fixed-term contracts as defined in the ICSC contractual framework. It is further recommended that all fixed-term contracts at non-family duty stations contain the compensation package recommended in the present report.

Mission appointees — 100 series, Department of Peacekeeping Operations

42. The United Nations mission-specific 100-series contract is unique to the Department of Peacekeeping Operations. The compensation provided is better than that of the appointment of limited duration (300 series) used by the Department. However, the 100-series mission-specific contract offers substantially less in compensation than that paid for the 100-series type of appointment in other organizations of the common system.

43. It is also significant to note that the 100-series mission-specific contracts are used at non-family duty stations when staff are reappointed after four years of successful appointment on an appointment of limited duration (300 series). However, special missions are designated non-family, while some of the same duty

stations are considered family duty stations by other organizations of the common system. The recommendation that the designation by the Department of Safety and Security be the basis for designation of family/non-family duty stations should eliminate the need for the special 100-series mission-specific contracts in special missions because staff would be entitled to the conditions of service of all other internationally recruited Professional staff of the common system.

44. The Commission also recognized that in today's environment, there is an expectation that staff would be mobile and respond to the needs of the Organization. Thus, using mission-specific contracts to meet what are continuing needs of the Organization is contrary to the expectation that staff will be mobile and respond to the global needs of the Organization. Mission-specific contracts do not allow the flexibility needed to reassign staff. Thus, the Commission is of the view that those contracts should be phased out.

Decision: The Commission decided to recommend that mission-specific 100-series contracts be phased out because they do not provide the flexibility needed to move staff among field duty stations and cannot respond to the need for a global workforce. Further, staff members on 100-series mission-specific contracts serving at non-family duty stations, designated special missions, should receive the same compensation and benefits as those normally given to internationally recruited Professional staff assigned to family duty stations when the duty station designation is changed from non-family to family.

Harmonization of rest breaks

45. The Commission noted that while all organizations have harmonized the periodicity and duration of rest breaks, there is no harmonization of payment of travel and daily subsistence allowance. The United Nations pays neither travel nor daily subsistence allowance to its staff. However, the Commission considered payment of travel was necessary to ensure that staff avail themselves of a rest break.

46. The Commission did not consider it essential to pay daily subsistence allowance during rest breaks as was the practice with the special operations approach used by all bodies other than the Department of Peacekeeping Operations. Those staff were already in receipt of a post adjustment at the administrative place of assignment and a living allowance at the duty station. It did agree, however, that an exception could be made as noted in its decision below.

Decision: The Commission decided to recommend that rest breaks be further harmonized in the areas of the payment of travel and daily subsistence allowance. The Department of Peacekeeping Operations should arrange for, or reimburse, travel as with the special operations approach. All organizations of the common system now paying daily subsistence allowance for rest breaks should discontinue that practice. Daily subsistence allowance in connection with rest breaks should be paid only on an exceptional basis, when the organization was unable to provide travel or make arrangements for the staff member to travel to the approved rest and recuperation location.

6. Harmonized areas in the United Nations common system

47. The Commission noted that the practices related to the extended monthly security evacuation allowance and home leave were already harmonized in the common system.

Decision: The Commission decided to recommend that current practices governing extended monthly security evacuation allowance and home leave be retained.

7. Other issues in non-family duty stations of the United Nations peace operations

Internationally recruited Field Service category

48. Since 1994, new staff in the Field Service category were recruited on appointments of limited duration (300 series). Over time, they were reappointed on mission-specific 100-series contracts. The same contractual limitations and conditions of service of internationally recruited Professional staff under the 300- and 100-series mission appointments have been applied to staff in the Field Service category recruited after 1994.

49. The Commission acknowledged the operational need to ensure conditions of service and compensation packages that would enable the Department of Peacekeeping Operations to retain the critical support provided by internationally recruited staff in the Field Service category. Therefore, it was of the opinion that the compensation and entitlements of the Field Service category of staff should continue to be aligned with those of the internationally recruited Professional staff.

Decision: The Commission decided to recommend that the long-standing policy of aligning the compensation and entitlements of the internationally recruited Field Service category with the 100-series internationally recruited Professional staff be continued and that changes recommended in the present report with respect to internationally recruited Professional staff at non-family duty stations also be applied to them.

8. The search to find more cost-effective proposals to harmonize practices for staff serving in non-family duty stations

50. The Commission was informed by the Working Group of its efforts to find a more cost-effective solution to the problem raised by the Department of Peacekeeping Operations with the Commission at its sixty-second session. Four alternatives were examined by the Working Group, and statistical models were used to estimate their costs, if implemented. Two of the proposals proved to be significantly more costly than that of the Secretary-General. Those proposals would lead to an increase of more than 10 per cent in costs for funds and programmes organizations in addition to a 10 per cent increase in costs to implement the Secretary-General's proposals for the Department of Peacekeeping Operations. The third was considered unfeasible owing to its radically different approach to the administration of pay and benefits. The fourth proposal departed from the goal of harmonization.

Decision: The Commission decided to recommend the application of the current special operations approach model common system-wide at non-family duty stations with regard to the payment of post adjustment, mobility and hardship, hazard pay and special operations living allowance. That model harmonizes all practices, is the

most cost-effective and best meets the needs of the organizations of the common system. Further, the Commission decided to recommend that the special operations approach model be modified to use only the administrative place of assignment as the basis for the entitlements mentioned above. The result would be that staff members would no longer be permitted to retain the entitlements of the former duty station when the family elects to remain there.

9. Streamlining the recruitment, retention and reassignment of staff to non-family duty stations

51. **Decision**: The Commission urges organizations to implement the following measures, where appropriate, to reduce recruitment delays and streamline the retention and reassignment of staff to non-family duty stations:

(a) Use of generic job profiles to the extent possible;

(b) Use of standing rosters in lieu of individual postings for recruitment;

(c) Optimized use of the Internet in the application process;

(d) Shared cost of paid advertising, radio and television spots to attract candidates;

(e) Automated screening of applications, to the extent possible;

(f) Recognition of the value of experience in non-family duty assignments, by giving special consideration to it in future assignments and promotion possibilities and stipulating that consideration for acquisition of continuing contracts would be subject to a posting in at least one field assignment;

(g) Mobility stipulated in contracts, as a condition of employment;

(h) Establishment of rotation policy, based on the hardship categorization of a duty station;

(i) Facilitation of movement between organizations of the common system.

10. Other considerations

Comprehensive review of contractual arrangements in the common system

52. **Decision**: The Commission decided to reiterate its decision periodically to review the compensation packages associated with all contractual instruments to ensure that they are harmonized across the common system.

Staff well-being in non-family duty stations

53. **Decision**: The Commission decided to encourage organizations to implement necessary actions to improve working environments and conditions in non-family duty stations in order to enhance staff well-being in those locations, in particular:

(a) Spouse employment (at the administrative place of assignment);

(b) Recreational facilities (at the place of work);

(c) Stress counselling (at the place of work); and

(d) Satellite communications systems (at the place of work).

11. Financial implications of the recommendations

54. The financial implications of the recommendations are significant for the United Nations. Other organizations of the common system with staff at non-family duty stations would experience a minor reduction in the overall cost of the special operations approach. In addressing the financial implications, the Commission relied on the cost estimates contained in the Secretary-General's report entitled "Investing in people" (A/61/255 and Add.1 and Add.1/Corr.1), (see annex III).

Annex I

Comparison of compensation packages of international Professional staff serving in non-family duty station

(In United States dollars per annum)

P-4 staff member (step 1 or level A or Second Quartile) with dependent spouse and two children, second assignment — Bujumbura, Burundi

	All except United Nations		*United Nations peacekeeping missions*			*Non-Department of Peacekeeping Operations organizations*	
	Special operations approach model		*Temporarily on loan/assigned to peacekeeping missions*	*United Nations peacekeeping mission appointees*		*Standard model extended monthly security evacuation allowance*	
Entitlement	*100/200 series*	*Appointment of limited duration UNDP*	*100/200 series*	*100 series*	*Appointment of limited duration*	*100/200 series*	*Appointment of limited duration UNDP*
	Administrative place of assignment Nairobi		**Parent duty station Nairobi**	**Not applicable**		**Family in Nairobi**	
Net annual salary	63 499.00	65 812.75	63 499.00	63 499.00	59 132.00	63 499.00	65 812.75
Dependency allowance	3 872.00	—	3 872.00	3 872.00	—	3 872.00	—
Service allowance, including family allowance	—	—	—	—	11 731.79	—	—
Discretionary family element	—	5 923.15	—	—	—	—	5 923.15
Discretionary job element	—	13 162.55	—	—	—	—	13 162.55
Post adjustment	21 208.67	—	21 208.67	—	—	29 781.03	—
Cost of living	—	21 981.46	—	—	—	—	30 866.18
Mobility and hardship	17 601.50	—	17 601.50	—	—	21 121.80	—
Hardship lump sum	—	9 811.05	—	—	—	—	13 081.40
Education grant	25 784.00	—	25 784.00	25 784.00	—	25 784.00	—
Hazard pay	12 000.00	12 000.00	12 000.00	12 000.00	12 000.00	12 000.00	12 000.00
Mission subsistence allowance	—	—	43 800.00	43 800.00	43 800.00	—	—
Special operations living allowance	43 800.00	43 800.00	—	—	—	—	—
Extended monthly security evacuation allowance	—	—	—	—	—	13 081.40	13 081.40
Total	**187 765**	**172 491**	**187 765**	**148 955**	**126 664**	**169 139**	**153 927**

Entitlement	All except United Nations		United Nations peacekeeping missions			Non-Department of Peacekeeping Operations organizations	
	Special operations approach model		Temporarily on loan/assigned to peacekeeping missions	United Nations peacekeeping mission appointees		Standard model extended monthly security evacuation allowance	
	100/200 series	Appointment of limited duration UNDP	100/200 series	100 series	Appointment of limited duration	100/200 series	Appointment of limited duration UNDP
	Administrative place of assignment former duty station Bangkok		**Parent duty station Bangkok**	**Not applicable**		**Family in Bangkok**	
Net annual salary	63 499.00	65 812.75	63 499.00	63 499.00	59 132.00	63 499.00	65 812.75
Dependency allowance	3 872.00	—	3 872.00	3 872.00	—	3 872.00	—
Service allowance, including family allowance	—	4 606.89	—	—	11 731.79	—	4 606.89
Discretionary family element	—	5 923.15	—	—	—	—	5 923.15
Discretionary job element	—	13 162.55	—	—	—	—	13 162.55
Post adjustment	22 605.64	—	22 605.64	—	—	29 781.03	—
Cost of living	—	23 429.34	—	—	—	—	30 866.18
Mobility and hardship	7 040.60	—	7 040.60	—	—	21 121.80	—
Hardship lump sum	—	—	—	—	—	—	13 081.40
Education grant	25 784.00	—	25 784.00	25 784.00	—	25 784.00	—
Hazard pay	12 000.00	12 000.00	12 000.00	12 000.00	12 000.00	12 000.00	12 000.00
Mission subsistence allowance	—	—	43 800.00	43 800.00	43 800.00	—	—
Special operations living allowance	43 800.00	43 800.00	—	—	—	—	—
Extended monthly security evacuation allowance	—	—	—	—	—	13 735.47	13 735.47
Total	**178 601**	**168 735**	**178 601**	**148 955**	**126 664**	**169 793**	**159 188**

Entitlement	*All except United Nations*		*United Nations peacekeeping missions*			*Non-Department of Peacekeeping Operations organizations*	
	Special operations approach model		*Temporarily on loan/assigned to peacekeeping missions*	*United Nations peacekeeping mission appointees*		*Standard model extended monthly security evacuation allowance*	
	100/200 series	*Appointment of limited duration UNDP*	*100/200 series*	*100 series*	*Appointment of limited duration*	*100/200 series*	*Appointment of limited duration UNDP*
	Administrative place of assignment former duty station New York		**Parent duty station New York**	**Not applicable**		**Family in New York**	
Net annual salary	63 499.00	65 812.75	63 499.00	63 499.00	59 132.00	63 499.00	65 812.75
Dependency allowance	3 872.00	—	3 872.00	3 872.00	—	3 872.00	—
Service allowance, including family allowance	—	4 606.89	—	—	11 731.79	—	4 606.89
Discretionary family element	—	5 923.15	—	—	—	—	5 923.15
Discretionary job element	—	13 162.55	—	—	—	—	13 162.55
Post adjustment	42 671.33	—	42 671.33	—	—	29 781.03	—
Cost of living	—	44 226.17	—	—	—	—	30 866.18
Mobility and hardship	—	—	—	—	—	21 121.80	—
Hardship lump sum	—	—	—	—	—	—	13 081.40
Education grant	43 248.00	—	43 248.00	43 248.00	—	43 248.00	—
Hazard pay	12 000.00	12 000.00	12 000.00	12 000.00	12 000.00	12 000.00	12 000.00
Mission subsistence allowance	—	—	43 800.00	43 800.00	43 800.00	—	—
Special operations living allowance	43 800.00	43 800.00	—	—	—	—	—
Extended monthly security evacuation allowance	—	—	—	—	—	18 968.03	18 968.03
Total	**209 090**	**189 532**	**209 090**	**166 419**	**126 664**	**192 490**	**164 421**

Annex II

Internationally recruited staff in United Nations special missions

Special mission	Mission appointees (100 and 300 series)							Mission assignees					
	100 series mission appointees - Professional	*100 series mission appointees - Field Service*	*Total 100 series mission appointees*	*300 series mission appointees - Professional*	*300 series mission appointees - Field Service*	*Total 300 series mission appointees*	*Total 100 and 300 series mission appointees*	*100 series mission assignees - Professional*	*100 series mission assignees - Field Service*	*100 series mission assignees - General Service*	*200 series assignees - Professional*	*Total assignees*	*Grand total*
BONUCA, Bangui	4	3	7	6	3	9	16	1	1	1		3	19
MINURSO, Laayoune	10	62	72	11	27	38	110	4	7	2		13	123
MINUSTAH, Port-au-Prince	49	56	105	122	130	252	357	18	23	47		88	445
MONUC, Kinshasa	133	216	349	234	236	470	819	26	22	83		131	950
ONUB, Bujumbura	34	38	72	66	101	167	239	16	12	36		64	303
ONUCI, Abidjan	42	64	106	34	115	199	305	14	13	22		49	354
OSRSG-GLR, Nairobi	3	1	4	1		1	5	1		1		2	7
UNAMA, Kabul	10	23	33	98	55	153	186	4	5	3		12	198
UNAMI, Baghdad	20	29	49	59	89	148	197	19	11	10		40	237
UNAMSIL, Freetown	8	14	22	2	6	8	30	1	3	17		21	51
UNIIIC, Beirut	7	4	11	23	8	31	42	8	1	32		41	83
UNIOSIL, Freetown	8	6	14	17	20	37	51	6	2	4		12	63
UNMEE, Asmara	32	44	76	18	36	54	130	4	14	9		27	157
UNMIK, Kosovo	135	143	278	151	86	237	515	7	11	24		42	557
UNMIL, Monrovia	81	89	170	118	126	244	414	31	25	59		115	529
UNMIS, Khartoum	37	79	116	228	264	492	608	31	16	40	1	88	696
UNOGBIS, Bissau	2	2	4	4		4	8	2		2		5	13
UNOMIG, Tbilisi	10	26	36	16	30	46	82	3	15	6		24	106
UNOTIL, Dili	1	10	11	51	29	80	91	4	4	9	1	18	109
UNPOS, Nairobi	3	2	5	7		7	12			2		2	14
UNTOP, Dushanbe	3		3	5	1	6	9		1			1	10
Total	**632**	**911**	**1 543**	**1 321**	**1 362**	**2 683**	**4 226**	**200**	**187**	**409**	**2**	**798**	**5 024**

Annex III

Financial implications of the recommendations of the Commission

Recommendations	*Financial implications*
1 The Commission advises the General Assembly that harmonization of conditions of service at non-family duty stations is essential for the preservation of the United Nations common system.	The financial implication of this is significant for the United Nations and also has some impact on other organizations of the common system with staff at non-family duty stations. The financial implications are addressed after each recommendation.
2 The Commission recommends that all common system organizations harmonize the designation of duty stations in accordance with the security phase decided by the Department of Safety and Security and the approach as applied by the Inter-agency Committee on Field Duty Stations of the Human Resources Network of the United Nations System Chief Executives Board for Coordination (CEB).	This recommendation is consistent with that proposed by the Secretary-General in his report, "Investing in people" (A/61/255). Under this proposal, 7 of the current 23 non-family "special" missions would be converted to family status. The financial implications were **estimated by the Secretary-General at $9.9 million for the full year 2007** (see A/61/255, para. 296). This recommendation has no financial implications for other organizations of the common system.
3 The Commission recommends that the appointments of limited duration (300 series) be phased out in non-family duty stations in favour of the fixed-term contracts as defined in the ICSC contractual framework. It is further recommended that all fixed-term contracts at non-family duty stations contain the compensation package recommended in the present report.	Conversion of the appointment of limited duration (300 series) contracts to fixed-term contracts is consistent with the Secretary-General's recommendations in his report, "Investing in people" (A/61/255). In that report, the financial implications of this conversion were **estimated at $19.1 million for the full year 2007** (see A/61/255, para. 263). Other organizations of the common system using appointment of limited duration contracts at non-family duty stations will also have increased costs. Staffing patterns and financial data were not available to calculate financial estimates for these organizations.
4 The Commission recommends that mission-specific 100-series contracts be phased out because they do not provide the flexibility needed to move staff among field duty stations and cannot respond to the need for a global workforce. Further, staff members on 100-series mission-specific contracts serving at non-family duty stations, designated special missions, should receive the same compensation and benefits as those normally given to internationally recruited Professional staff assigned to family duty stations when the duty station designation is changed from non-family to family.	The financial implications as a result of the recommendation to phase out the mission-specific 100-series contracts at family duty stations are shown in recommendation 2 above. The financial implications for phasing out mission-specific (100 series) contracts at non-family duty stations are significant because the staff at non-family duty stations would be eligible for the special operations allowance. The financial implications are addressed in recommendation 8.

Recommendations		*Financial implications*
5	The Commission recommends that rest breaks be further harmonized in the areas of the payment of travel and daily subsistence allowance. The Department of Peacekeeping Operations should arrange for, or reimburse, travel as with the special operations approach. All organizations of the common system now paying daily subsistence allowance for rest breaks should discontinue that practice. Daily subsistence allowance in connection with rest breaks should be paid only on an exceptional basis, when the organization is unable to provide travel or make arrangements for the staff member to travel to the approved rest and recuperation location.	The Secretary-General **estimated** the financial implication for the payment of travel costs **at $19.5 million for staff in field missions** and **$92,000 from extrabudgetary resources** (see A/61/255, para. 298). There is no financial implication for other organizations of the common system since those organizations already pay for travel related to rest breaks. The Secretary-General's proposal did not include any daily subsistence allowance payments while a staff member is on a rest break. If the recommendation of the Commission regarding elimination of daily subsistence allowance payments under the special operations approach is adopted, there would be no financial implications for the United Nations. There would be some savings in the other organizations of the common system where the special operations approach is used; however, those organizations were unable to provide cost data for payment of daily subsistence allowance in connection with rest periods.
6	The Commission recommends that current practices governing extended monthly security evacuation allowance and home leave be retained.	There are **no financial implications** associated with the recommendation governing extended monthly security evacuation allowance and home leave because the recommendation reflects current practice for all organizations of the common system.
7	The Commission recommends that the long-standing policy of aligning the compensation and entitlements of the internationally recruited Field Service category with the 100-series internationally recruited Professional staff be continued and that changes recommended in the present report with respect to internationally recruited Professional staff at non-family duty stations also be applied to them.	In the Secretary-General's proposal (A/61/255), the Field Service staff was included when calculating the various proposals to determine the financial implications. Therefore, the costs are as shown with each of the recommendations.
8	After examination of four alternative approaches, which includes the Secretary-General's "modified" special operations approach model, the Commission adopted the Working Group's conclusion that the current special operations approach model harmonizes all practices, is more cost-effective and best meets the needs of the organizations of the common system. Therefore, the Commission recommends that the special operations	Financial implications related to the introduction of the special operations approach were addressed in the Secretary-General's report (A/61/255, para. 297). The financial implications for the United Nations were **estimated at $228.701 million**. Other organizations of the common system already apply the special operations approach to their staff in non-family duty stations, so there is no increased cost.

Recommendations	*Financial implications*
approach model be applied common system-wide at non-family duty stations with regard to payment of post adjustment, mobility and hardship, hazard pay and special operations living allowance. Further, the Commission recommends that the special operations approach model be modified to use only the administrative place of assignment as the basis for these entitlements. That would mean the elimination of the current provision which permits staff to retain the entitlements of the former duty station when the family elects to remain there.	

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